

# CHAG Agenda

December 15, 2010

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*Location: via email only*

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Monthly Ex-CPIM Hedge Portfolio Update	Harold
Natural Gas Market Update	Harold

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This document contains confidential market sensitive information pursuant to D.07-06-013 and is being filed under seal and under the provisions of Public Utilities Code Sections 583 and 454.5(g), and General Order 66-C.



# Ex-CPIM Hedge Portfolio Update (unaudited)– Winter 2010-2011 (report date 12/13/2010)

## WINTER 2010-2011 (ex-CPIM hedges)

Hedge Plan Year	Execution Dates	Delivery Points	Delivery Period	Products	Option Premium Dollar Outlay to Date	Strike Price Range (US dollars/ MMBtu)	Strike Price Target (US dollars/ MMBtu)	Options Notional Volume Coverage to Date	12/13/2010	Swaps Notional Volume Coverage to Date	Swaps -- Price Range	12/13/2010	Total Notional Volume Coverage to Date
									Options Unrealized Intrinsic Gain, if any			Swaps -- Mark-to- Market Gain / <Loss>	
2008	Redacted												
Lehman													
2009	Redacted												
	Redacted												
Current Forward Price Levels 12/13/2010					Redacted								

Prior report was November 19, 2010

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# Ex-CPIM Hedge Portfolio Update (unaudited)– Winter 2011-2012 (report date 12/13/2010)

## WINTER 2011-2012 (ex-CPIM hedges)

Hedge Plan Year	Execution Dates	Delivery Points	Delivery Period	Products	Option Premium Dollar Outlay to Date	Strike Price Range (US dollars/MMBtu)	Strike Price Target (US dollars/MMBtu)	Options Notional Volume Coverage to Date	12/13/2010	Swaps Notional Volume Coverage to Date	Swaps -- Price Range	12/13/2010	Total Notional Volume Coverage to Date
									Options Unrealized Intrinsic Gain, if any			Swaps -- Mark-to-Market Gain /<Loss>	
2009	Redacted												

Current Forward Price Levels  
12/13/2010

Redacted

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# Natural Gas Market Update

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- The NYMEX prompt month January NYMEX is currently trading around \$4.22/MMBtu (12/15/2010), 20c above month-ago levels. Early winter-like weather and stable rig counts have provided some near-term price support.
- Bullish factors:

Redacted

- Bearish factors:

Redacted

- Winters 2010-2011 and 2011-2012 are between \$4.35 and \$5.10 (NYMEX), unchanged from a month ago due partly to stabilizing (albeit strong) North American gas production.

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